

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
February 20, 2014
HUDSON ROOM - 6TH FLOOR**

I Call to Order and Roll Call - 9:45 A.M.

A meeting of the New Jersey State Board of Accountancy was convened in accordance with the provisions of the Open Public Meetings Act. Pursuant to those provisions, the proper notifications were made to the Office of the Secretary of State, the Camden Courier-Post, the Trenton Times, the Asbury Park Press, the Record, and the Star-Ledger. Board President, John Dailey called the meeting to order at 9:45 a.m. The following roll call was taken:

Keith Balla, CPA	Present
Richard C. Barlotta, PA	Present
Jorge A. Caballero, CPA	Present
John F. Dailey, Jr., CPA	Present
Sara L. DeSmith, CPA	Present
Daniel J. Geltrude, CPA	Present
Dennis C. Meyerson, PA	Present
Hal Model, CPA	Present
Ainsley A. Reynolds, CPA	Present
Michael H. Runge, CPA	Present

Also present at the meeting were Khaled Madin, Acting Executive Director, Tobey Palan, Deputy Attorney General, Melba Rodriguez, Secretarial Assistant, Marie Lisa, Staff; Jaleila Wilson, Staff; Ralph Thomas, Executive Director, NJSCPA; Mike Polito, Past President, NJSCPA; Ken Heslip, CPA; Arlene Ferris-Walks, Supervisor, Bureau of Securities.

II President's Remarks

Board President Dailey made a formal announcement that William Mandeville, Executive Director is retiring, and that a luncheon will be held either May 15, 2014 or June 19, 2014.

III Acting Executive Director's Remarks

Acting Executive Madin informed the Board that it was a pleasure working with William Mandeville, and looks forward to working with the rest of the Board members in the future.

IV Bureau of Securities Speaker

Arlene Ferris-Waks Supervisor, Bureau of Securities, advised the Board about the services of the Bureau of Securities provide, and that they offer free presentations regarding Investment fraud and filing complaints.

V NASBA MATTERS

- A Highlights of the Board of Directors Meeting - January 17, 2014 - Palm Springs, CA
- B meeting of the Board of Directors - October 25, 2013 - Hyatt Regency, Maui, HI
- C Focus Questions - Due April 1, 2014
- D Regional Director's Report - November 7, 2013 and December 30, 2013

The President directed that the NASBA matters be accepted as informational.

VI Committee Reports

A CPA Examination Committee

Harold Model had no report for the Board.

B Ethics Committee

Jorge Caballero, reported to the Board there will be a meeting prior to the next Board meeting to discuss upcoming meeting with the New Jersey Law & Ethics course sponsors.

C CPE Committee

Daniel Geltrude had no report for the Board

D RMA Committee

John Dailey informed the Board that letters have gone out to the candidates, 6 out of the 20 candidates passed the exam.

E Peer Review Oversight Committee

Sara DeSmith informed the Board that there was a meeting on January 30, 2014. List of non-compliant firms down to 172 from over 700 in the summer. May use a combination of phone calls and questions added to firm renewals to reduce number further.

F Education Committee

Ainsley Reynolds had no report for the board.

G Reciprocity Committee

Michael Runge had no report for the Board.

H Nomination Committee

Keith Balla had no report for the Board.

I Statute/Rules/Regulations Committee

Keith Balla discussed with DAG Palan regarding the changes/status of the changes in the regulations. DAG Palan will review for legal justifications and will report next month.

J Monitoring Profession Committee

Keith Balla informed the Board that there were two meetings, January 14th and February 11th. Recommendations approved in Executive Session.

VII CalTech

A letter is to be sent to Mr. McKnight informing him that as a self-study sponsor, he must register with NASBA. The Board will accept legitimate courses for the current and previous triennial licensure periods.

VIII Public Comments

Update on Important Society Dates

- April 24th, 2014 - Annual Society Scholarship Awards Ceremony at the Renaissance Hotel, Woodbridge, NJ from 6pm to 8:30pm.
- May 14th & 15th, 2014 - NJSCPA Annual Accounting, Business and Technology Show at the Meadowlands Exposition and Convention Center, Secaucus, NJ.
- May 28th & 29th, 2014 - Society's Scholars Institute Program at Montclair State University, Montclair, NJ.
- June 4th-6th, 2014 - NJSCPA Annual Convention & Expo at Bally's in Atlantic City, NJ

I would like to update Board members and staff on the following Society activities and initiatives:

- Efforts to advance Appeal Bond Cap legislation continue to be in a holding pattern as our February 4th meeting with Senator Lesniak was cancelled due to the snow storm. The meeting has been rescheduled for March 14th to discuss whether Appeal Bond Caps will be introduced as a standalone bill or be combined with another. Additionally, we will try to ascertain whether the Senate President would be willing to move the bill from the Senate Judiciary Committee.
- The Society's informal task force working group on mandatory audit firm rotation for municipalities and county governments will meet tomorrow. As previously noted, this task force will attempt to identify recommendations for Assemblywoman Munoz to incorporate in a new bill to address concerns surrounding controls over local and county expenditures. The Society also weighed in to support A 1245, which requires certain civil actions against licensed persons to be brought within two years versus six years. The bill, which was heard in the Assembly Judiciary Committee, was not voted on during the Committee hearing.
- On a national front, the Mobile Workforce legislation, S 1645, will be introduced in the Senate. Over 495 national businesses and groups are in favor of the bill moving forward. The Society sent correspondence to Senator Booker urging him to be a co-sponsor on this legislation. We also held a call with Senator Booker's staff to educate/update them regarding a proposal to eliminate for tax purposes the use of Cash Basis Accounting for pass through entities. We hope the Senator will support this legislation if it moves beyond the proposal status.

Additional Comments:

The Society continues to urge the Board to oversee providers of the New Jersey Law and Ethics courses to ensure they are covering the material mandated by the Board for this course.

Respectfully submitted,

Khaled Madin
Acting Executive Director